



**CONNIE ASCHENBRENNER**  
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September 15, 2023

**VIA ELECTRONIC FILING**

Oregon Public Utility Commission  
Filing Center  
201 High Street SE, Suite 100  
P.O. Box 1088  
Salem, Oregon 97301

**RE: UM 2211 – Idaho Power’s Fourth HB 2475 Workshop Meeting Materials and Notification of Comment Period and Next HB 2475 Workshop**

Attention Filing Center:

Idaho Power Company (“Idaho Power” or “Company”) submits this letter to provide all interested stakeholders with a copy of the materials presented during the Company’s fourth HB 2475 workshop (“Fourth Workshop”), conducted on September 14, 2023. During the Company’s Fourth Workshop, a high-level summary of its recently completed Low Income Needs Assessment (“LINA”) was presented by Empower Dataworks, and the framework of a potential Idaho Power HB 2475 Low Income Bill Assistance Program was also discussed. The entire findings of the Company’s LINA can be found as part of the notice of the Company’s LINA Information Session, posted within Docket No. UM 2211 on September 5, 2023.

The Company appreciates the involvement of all stakeholders to date and looks forward to continued collaboration as it develops a final recommendation that could be filed with the Oregon Public Utility Commission. To this end, Idaho Power requests that any stakeholder comments regarding its presented HB 2475 Low Income Bill Assistance Program’s framework be submitted within Docket No. UM 2211 or provided to the Company by September 29, 2023.

The Company anticipates conducting another workshop on October 18, 2023, where it looks forward to the continued discussions regarding a potential Idaho Power HB 2475 Low Income Bill Assistance Program.

If you have any questions regarding this filing, please contact Regulatory Analyst Riley Maloney at [rmaloney@idahopower.com](mailto:rmaloney@idahopower.com).

Sincerely,

A handwritten signature in blue ink that reads "Connie Aschenbrenner".

Connie Aschenbrenner

CA:sg  
Enclosure

# HB 2475 Workshop

September 2023



# HB 2475 4<sup>th</sup> Workshop



## Agenda

- 1) Introductions and Recap
- 2) Oregon Low Income Needs Assessment's Findings
- 3) Idaho Power's HB 2475 Low Income Bill Assistance Framework
- 4) Discussion

# Introductions



# HB 2475 4<sup>th</sup> Workshop



## March 2023 HB 2475 Workshop Recap

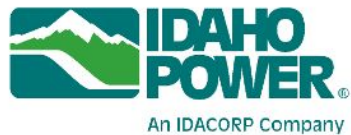
- Reached alignment that Low Income Needs Assessment (LINA) would best inform a future Idaho Power HB 2475 program proposal
  - level of targeted assistance
  - eligibility criteria
- Timeline
  - LINA to be completed in 3<sup>rd</sup> Qtr 2023
  - Reconvene stakeholders with results

# HB 2475 4<sup>th</sup> Workshop



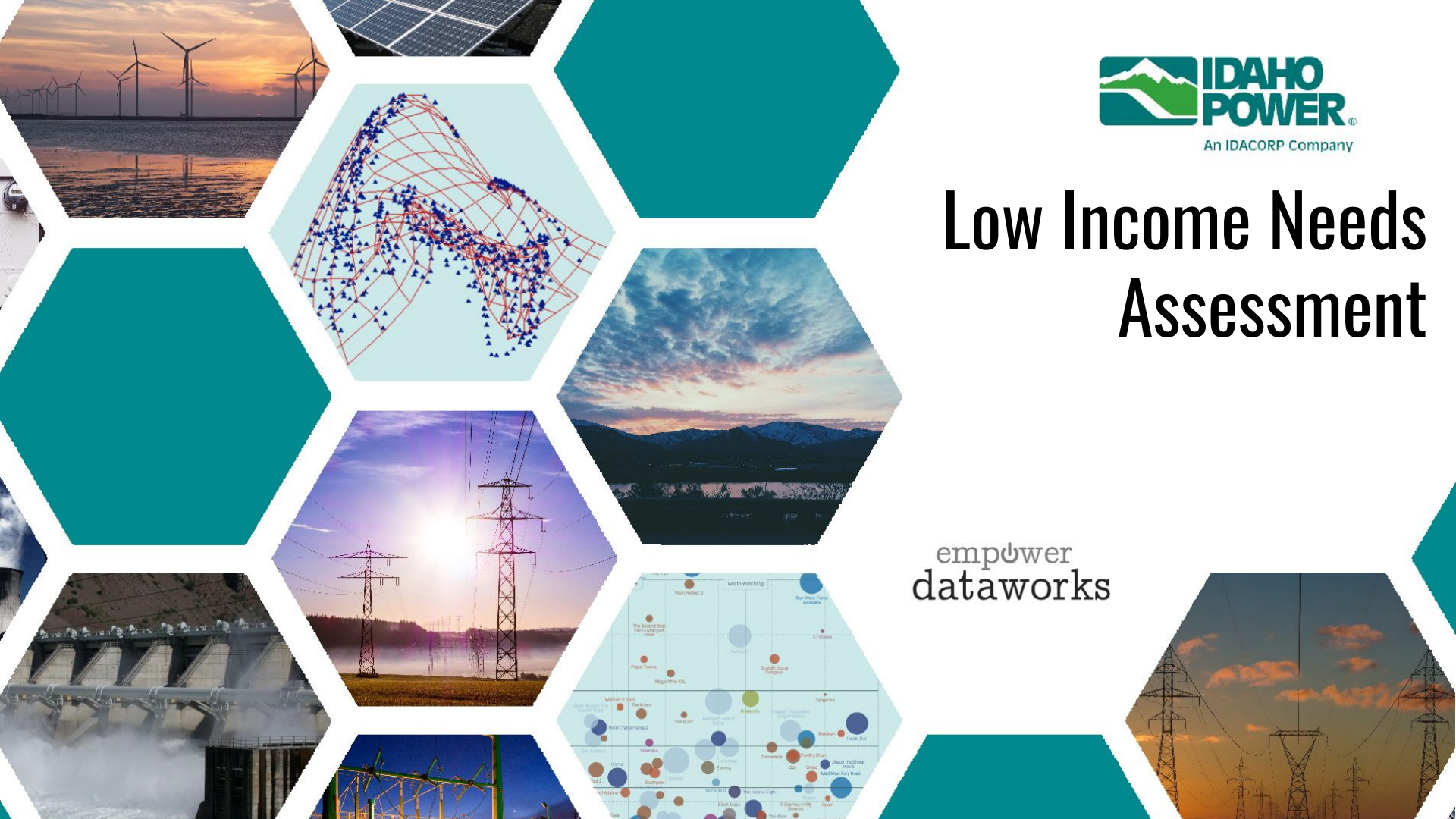
Idaho Power's Low Income Needs Assessment

empower  
dataworks



# Low Income Needs Assessment

empower  
dataworks



# High-level Goal

- Support Idaho Power HB 2475 differential rate or bill discount proposals, specifically the level of assistance and eligibility criteria



# Challenges in Idaho Power's Oregon service area

- ***Small cost recovery base in Oregon:*** Program costs will result in a significant bill impact for non-participants. The lowest income non-participants will see an increase in energy burden.
- ***Participation barriers:*** The more conservative nature of residents in eastern Oregon introduces a barrier to participation due to the stigma associated with assistance programs. Rural nature and geographic size is a challenge for outreach.
- ***Administrative challenges:*** For smaller programs, overhead and administrative complexity represent a higher fraction of program budgets.

# Data Sources

→ CIS Data (by address) **Understand gaps**

→ Energy assistance data

→ Weatherization program data

→ Disconnections and late payments

**Prioritization beyond energy burden**

## Segmentation

→ Demographic data

→ Census data

→ Benchmarking data from other utilities

→ EPA's EJSCREEN environmental factors

Data Collection

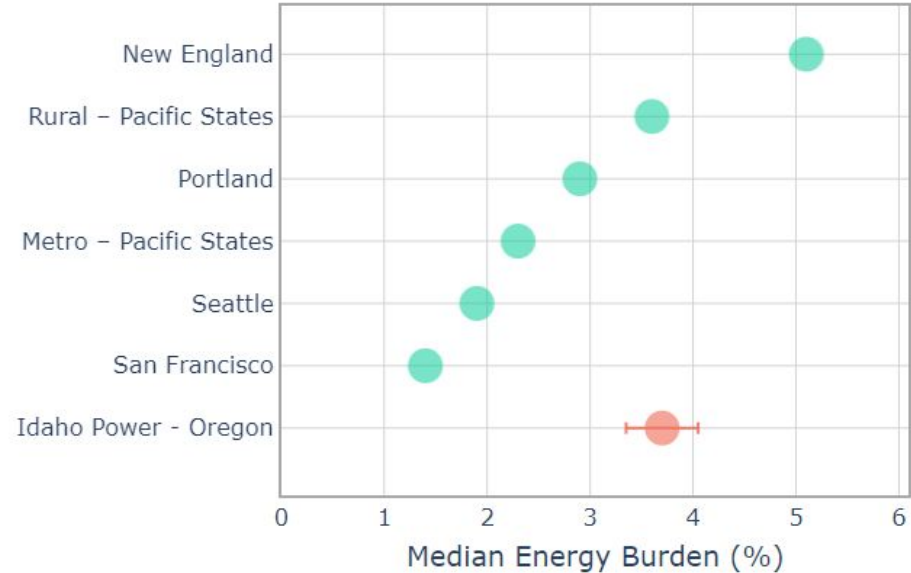
Analysis

Reporting

Data Wrangling

# Insights: Energy Burden

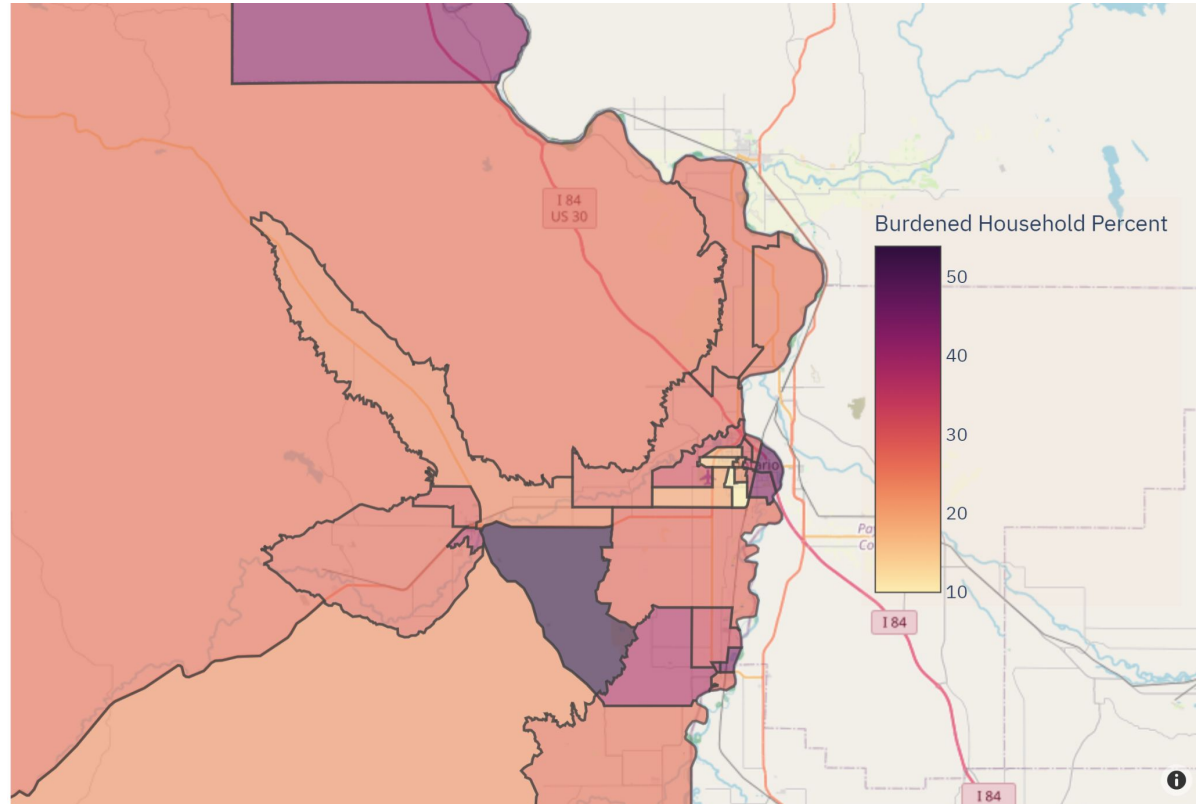
- Idaho Power residential customers in Oregon have relatively low incomes, average rates and high energy use, resulting in a high overall energy burden.
- However, the median energy burden is comparable to other rural areas in the Pacific Northwest.



**Bottom line:** Low incomes and high energy use, rather than rates, appear to be driving the high energy burden in the area.

# Insights: Energy Burden

**Bottom line:** Most high-burden customers live in the Eastern side of Ontario or in agricultural communities in Malheur county.



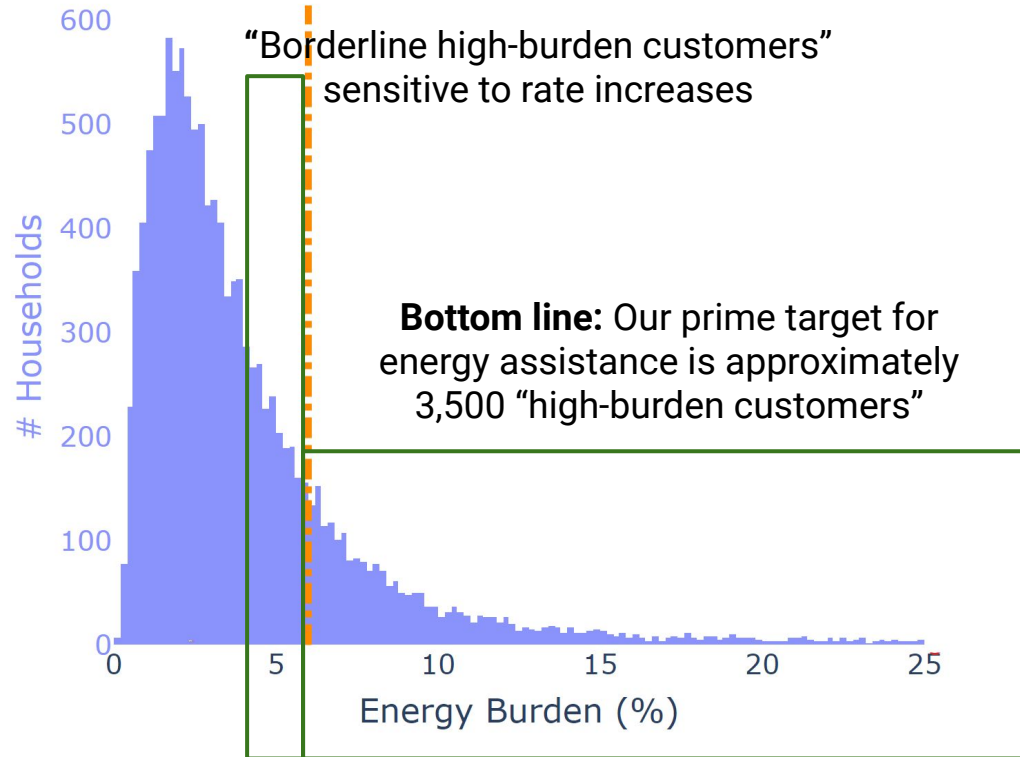
# Insights: Energy Burden

Number of Households  
**~12,800**

Low Income Households  
60% SMI\*: **~8k**  
150% FPL: **~4k**

Energy Burden  
(Electricity)  
Median: **~3%**  
Average: **~4.2%**

High Burden Households  
**~3,500**



Note: Energy burden is based on total household energy use. In this assessment, we use separate thresholds for electric heat (6%) and non-electric heat households (3%) (similar to NJ and IL), since we don't have gas or delivered fuel data.

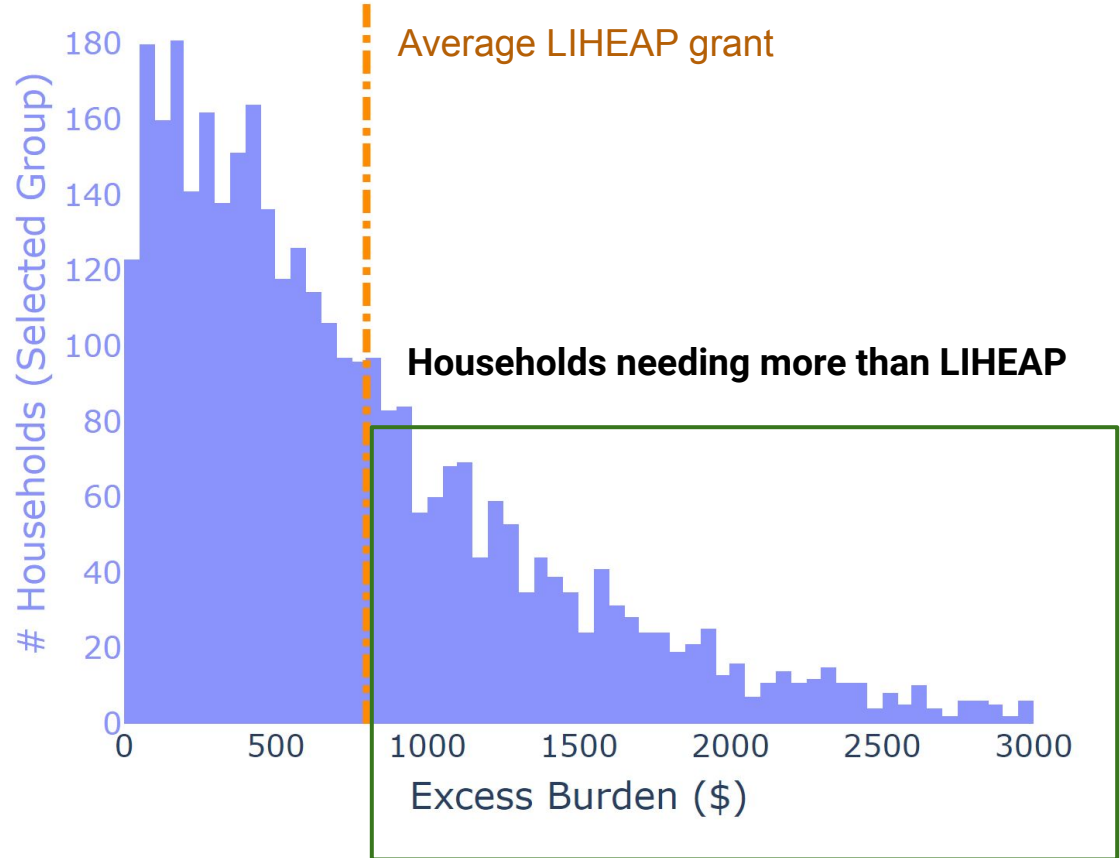
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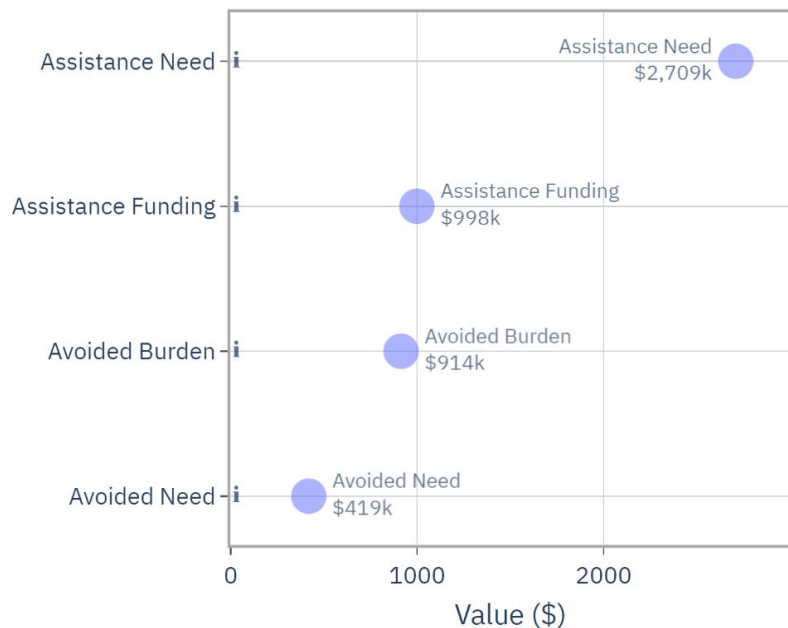
High Burden Households  
**~3,500**



# **Idaho Power's Annual Energy Assistance Need in Oregon**

**\$2.7 M/year**

# Insights: High-level Assistance Gap

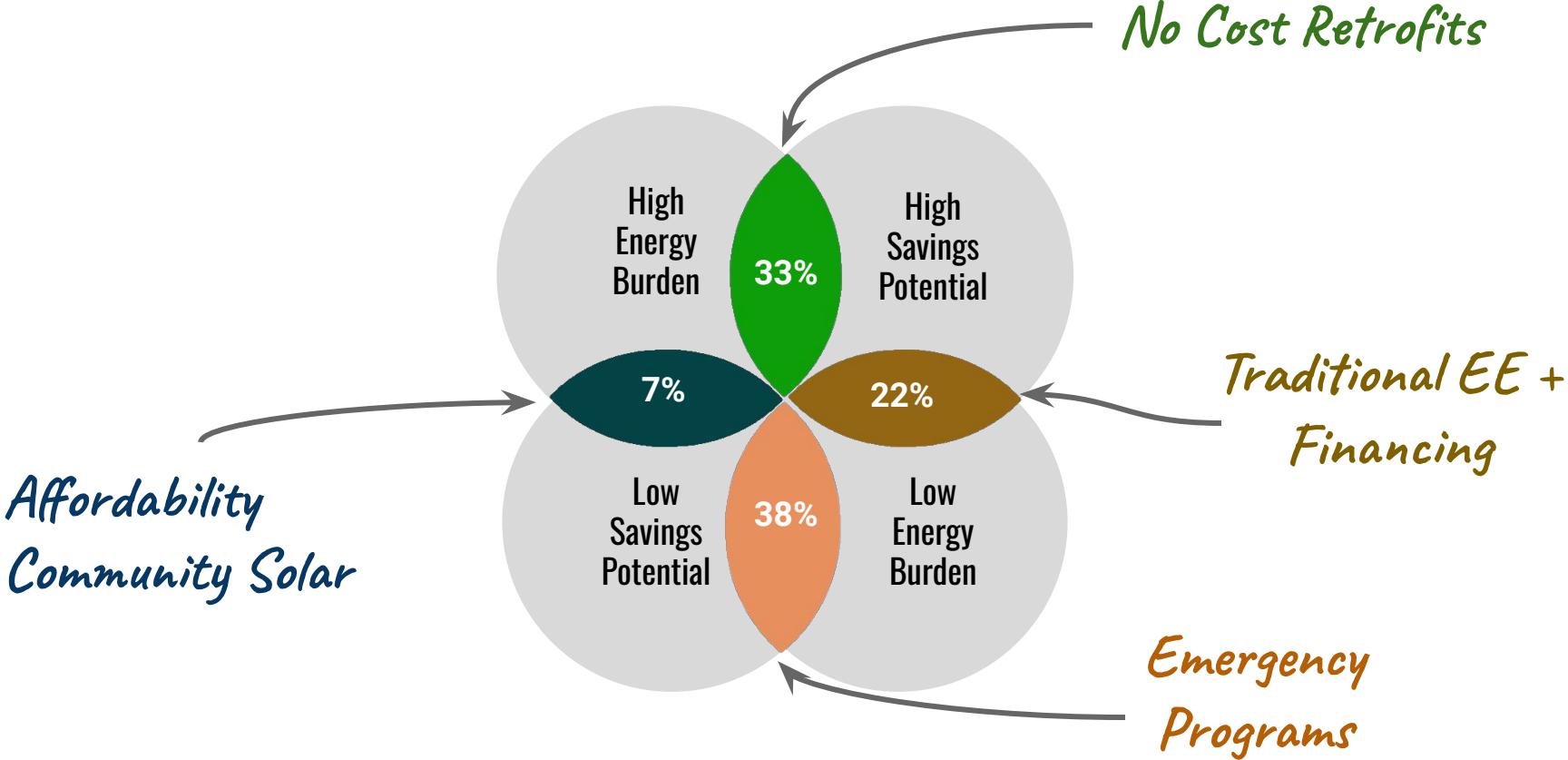


→ Best practice is to start with *60-70% of the need* available as program funding - **additional \$700-900k needed**

→ Program targeting is also essential, given the wide eligibility band (60% of the *state* median income)



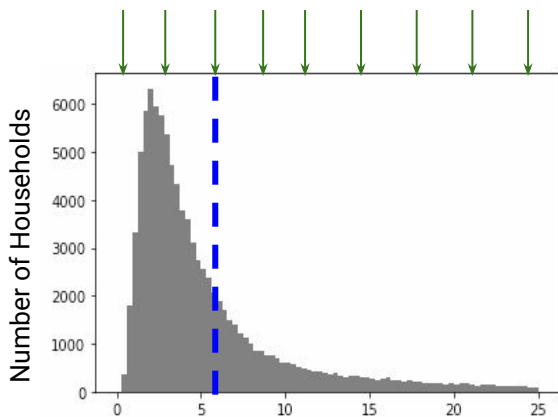
# Program Potential



# *Program Design Options*

# Affordability Discount Models

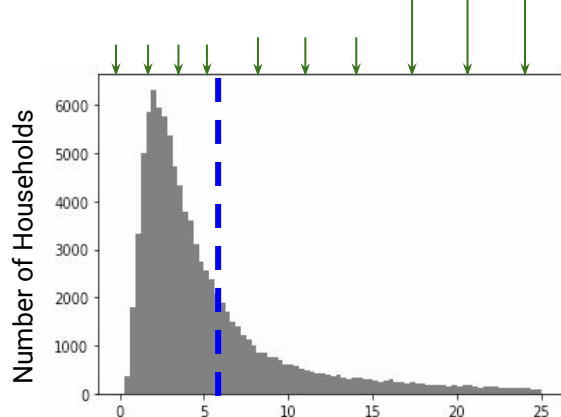
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Energy Burden (%)

**Fixed discounts**

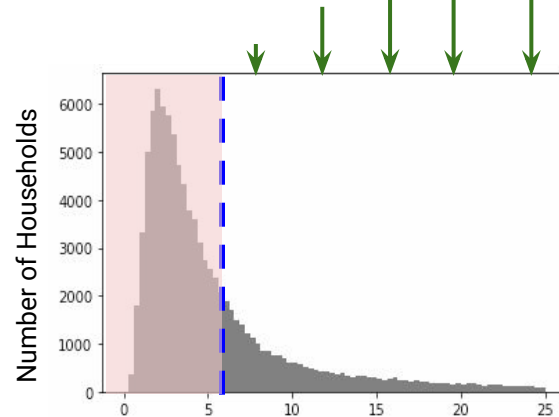
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Energy Burden (%)

**Percent Discount based on  
income tier**

\$\$\$

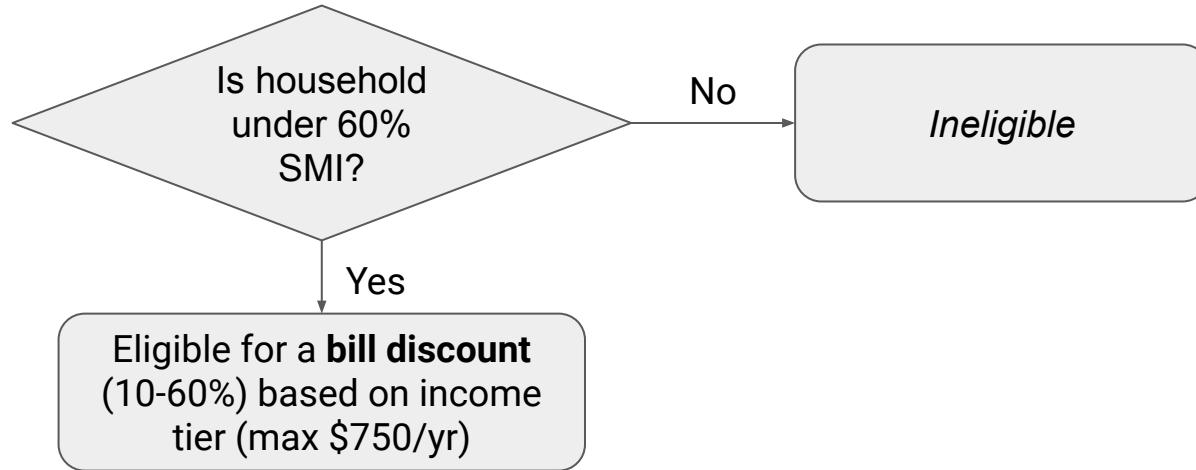


Energy Burden (%)

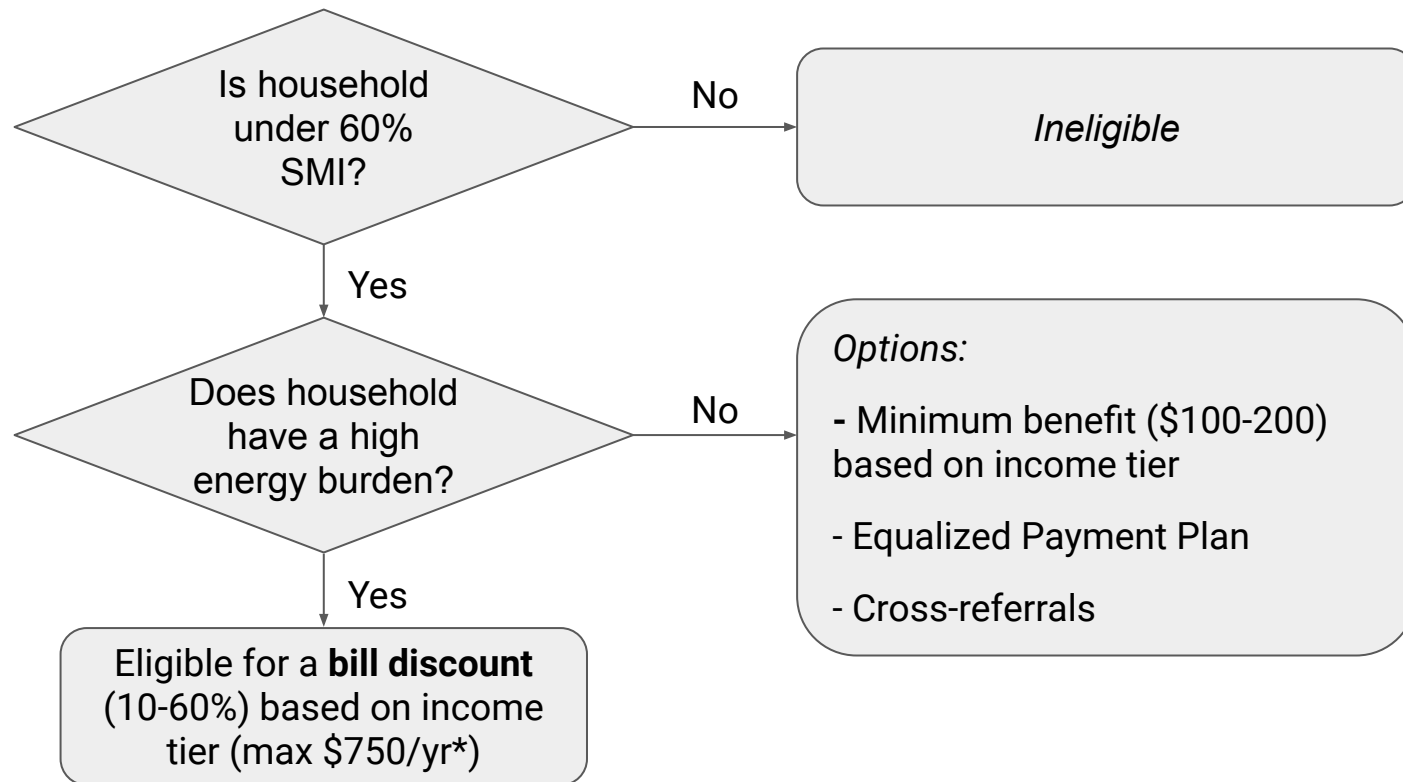
**Personalized discount  
based on energy burden**

Higher administrative burden  
Better targeting of need

# Program Eligibility - without energy burden



# Program Eligibility - with energy burden

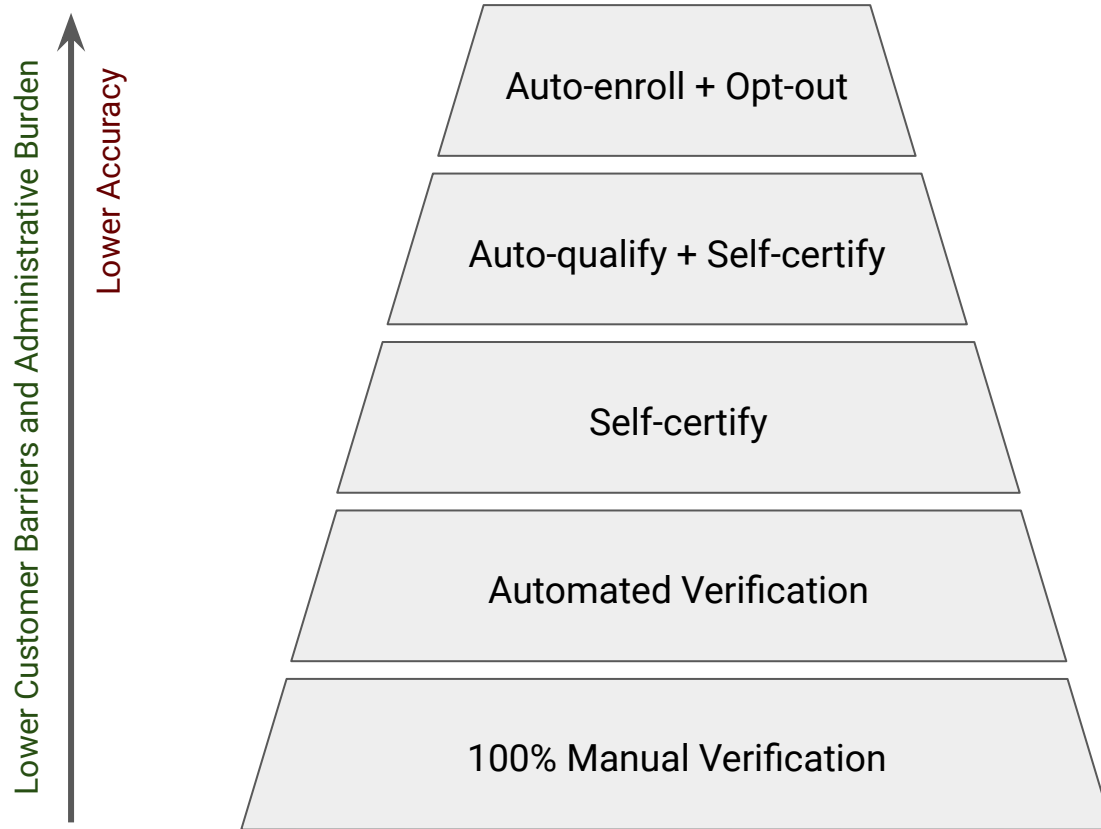


Note: Home energy audit (virtual or in-person) or weatherization required to access higher benefits

# Program Options

	<b>Fixed Grant (\$500)</b>	<b>Fixed Discount (25%)</b>	<b>40%/20% discounts</b>	<b>Income based 3-tier discount (60%/25%/10%)</b>	<b>High burden tiered discount with min benefit</b>	<b>High burden tiered discount without min benefit</b>
<b>Annual cost - Direct</b>	\$750k					
<b># Customers</b>	1,500	2,000	2,200	2,300	2,900	2,400
<b>High burden customers served</b>	520	700	1,000	1,000	1,300	2,400
<b>Annual cost - Admin/Third-party/ Outreach (est.)</b>	15% Outreach Minimal Admin	15% Outreach Minimal Admin	15% Outreach 5% Admin	15% Outreach 5% Admin	15% Outreach 10% Admin	30% Outreach 10% Admin
<b>Avoided need</b>	\$258k	\$345k	\$380k	\$450k	\$560k	\$750k
<b>Customer Impact</b>	Over-servicing and under-servicing	Insufficient assistance for lowest income customers	Likely insufficient for Idaho Power's lowest income customers	Less targeted but simpler to administer	Good balance of assistance by income level	Poor experience for LI, low burden customers

# Income Verification Options: Balance between accuracy and participation barriers



# Intake Form Sections

## Applicant Information (Example from LIHEAP)

Person 1. Name of adult head of household		Sex <input type="checkbox"/> M <input type="checkbox"/> F	Date of birth
U.S. citizen <input type="checkbox"/> Yes <input type="checkbox"/> No	Alien registration number	Social Security number	
Race - check all that apply <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or other Pacific Islander <input type="checkbox"/> American Indian or Alaskan native		<input type="checkbox"/> White <input type="checkbox"/> Asian Tribe: _____	Are you Hispanic or Latino? <input type="checkbox"/> Yes <input type="checkbox"/> No
Mailing address, street or P.O. Box	City	State	Zip
Street address or directions to your home, if different than mailing address			
Phone number where you can be reached		Email address	

## Utility Account

Which utility company or fuel dealer do you want to receive your LIHEAP grant? Write their name and address, and your account information.

Name of Utility Company or Fuel Dealer	Account Number
Address (Include Street, City, State & ZIP Code+4)	Name on Account

## Tenancy and Heating Fuel

3 Are You:

<input type="checkbox"/> Renting with heat included	<input type="checkbox"/> Renting subsidized housing/Section 8 housing with heat included
<input type="checkbox"/> Renting with heat <b>not</b> included	<input type="checkbox"/> Renting subsidized housing/Section 8 housing with heat <b>not</b> included
<input type="checkbox"/> An unrelated roomer	<input type="checkbox"/> An owner or are you buying your home <input type="checkbox"/> Other: _____

If heat is included in your rent, attach a note from your landlord stating that heat is included and what type of heat is used.

4 What is your main heating source? Choose the type of energy that heats your home or is being used if your main heating source is not working. Attach a copy of your last bill or a statement from a utility or fuel dealer stating the type of fuel and that you are accepted as a customer.

Electric  Fuel Oil  Coal  Natural Gas  Kerosene  Propane or Bottled Gas  Blended Fuel  Wood/Other

4a Do you need electricity to run your main heating source (secondary heat)?  Yes  No

## Weatherization Offer

Are you interested in free weatherization service? Weatherization services include home insulation and heating system evaluation.  Yes  No

## Attachments

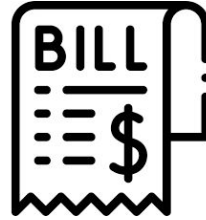
- Income self-certification form
- Latest Idaho Power bill



# Needs Assessment Summary and Recommendations



There is an **energy assistance gap** of \$700-900k in the Idaho Power service area in Oregon



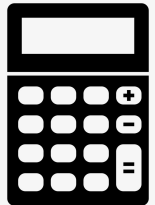
High energy burden is driven primarily by **low incomes and high energy use**, not rates



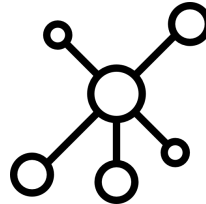
Many customers are **borderline high burden** and the cost-recovery base is small (13k residential customers)



**Targeting** the program at high-burden customers is recommended in the pilot phase



Recommend a **simple** tiered discount design with income self-certification and simplified intake form



Recommend expanding Idaho Power's **CBO partnerships** for intake and outreach

# HB 2475 4<sup>th</sup> Workshop



## HB 2475 Low-income Bill Assistance Framework

Program eligibility is based on household income and energy burden

- Household Income:  $\leq 60\%$  of State Median Income (SMI), adjusted for household size
- Energy Burden:  $>6\%$  for electrically heated homes and  $>3\%$  for non-electrically heated homes

Customers may enroll and provide self-certified household income via the following methods:

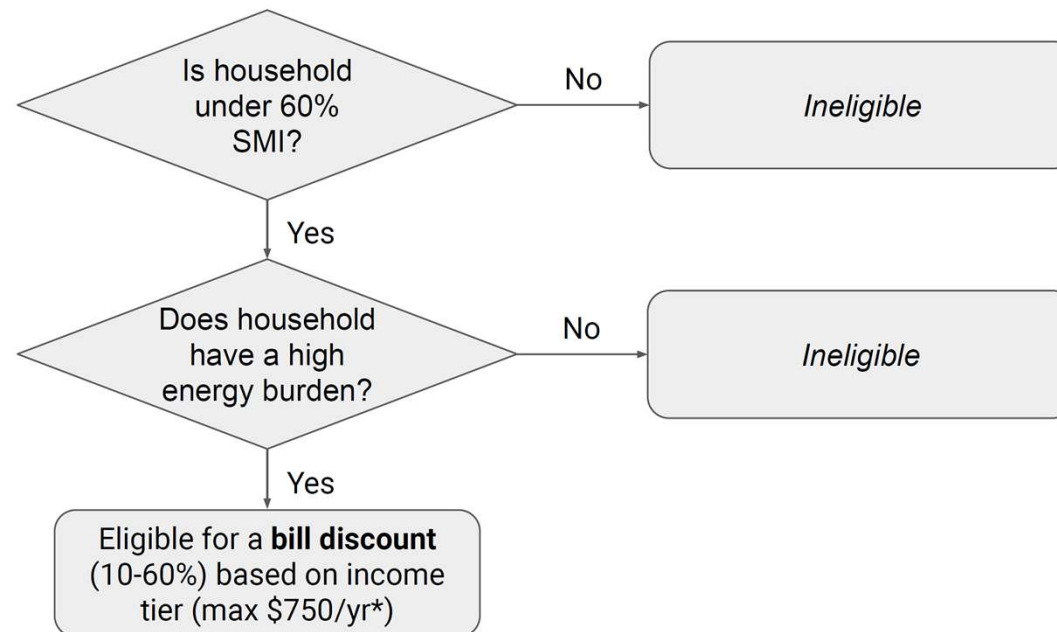
- Calling Idaho Power and speaking with a Customer Service Representative
- Through a local CAP Agency or other participating Community Based Organization (CBO), both of which would utilize an online portal to enroll customers

# HB 2475 4<sup>th</sup> Workshop



## HB 2475 Low-income Bill Assistance Framework

### Program Eligibility - with energy burden



# HB 2475 4<sup>th</sup> Workshop



## HB 2475 Low-income Bill Assistance Framework

			No minimum benefit provided		Minimum benefit provided		
Adjusted Household Income (% of SMI)	Discount %	Avg. Annual Discount Amount <sup>1</sup>	Estimated Participants <sup>2</sup>	Approximate Annual Discount Cost <sup>1,2</sup>	Annual Min. Benefit Amount	Estimated Participants <sup>2</sup>	Approximate Annual Discount Cost <sup>1,2</sup>
0-20%	60%	\$647	546	\$353,000	\$200	593	\$363,000
20-40%	25%	\$365	798	\$291,500	\$150	1,502	\$397,000
40-60%	10%	\$152	396	\$60,000	\$100	1,858	\$206,000
		<b>\$307</b>	<b>1,740</b>	<b>\$704,500</b>		<b>3,953</b>	<b>\$966,000</b>

<sup>1</sup> Estimated assuming a \$750/yr. maximum benefit amount.

<sup>2</sup> Assumes 50% participation among eligible customers.

<sup>3</sup> Assumes a \$1000/mo. bill cap for non-residential customers.

Estimated Residential Customer  
Monthly Bill Increase<sup>3</sup>:  
**\$1.73 (1.29%)**

Estimated Residential Customer  
Monthly Bill Increase<sup>3</sup>:  
**\$2.46 (1.83%)**

# HB 2475 4<sup>th</sup> Workshop



## HB 2475 Low-income Bill Assistance Framework - details

- Current LIHEAP Participants will automatically be enrolled in program, or enrollment can occur simultaneous with LIHEAP application
- Re-enrollment would occur every 2 years
- CAP Agencies and CBOs will be paid for their efforts enrolling customers in the program
- Idaho Power will conduct a post-enrollment survey of participants and of CAP Agencies
- Idaho Power may facilitate post-enrollment income verification
  - sample of participating customers
  - excludes participants who received LIHEAP
- Program risk-free to customers
- Idaho Power will report on monthly metrics
- Idaho Power will track and provide reporting of costs on a quarterly basis

# HB 2475 4<sup>th</sup> Workshop



## HB 2475 Low-income Bill Assistance Framework - Recap

- **Eligibility Criteria**
  - Income ( $\leq 60\%$  of State Median Income (SMI), adjusted for household size)
  - Energy burden ( $>6\%$  for electrically heated homes and  $>3\%$  for non-electrically heated)
- **Program Discounts**
  - 0-20% SMI – 60%
  - 20-40% SMI – 25%
  - 40-60% SMI – 10%
- **Enrollment Process**
  - Customers may self certify income
  - Through Idaho Power or participating CAP Agencies and CBOs
- **Maximum benefit of \$750**
- **Other?**

# Next Steps